ORDINANCE NO.	
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AN ORDINANCE AMENDING SECTIONS 12-6-1, 12-6-2, 12-6-5, 12-6-7, 12-6-9, PARAGRAPHS (a) AND (b) OF SECTION 12-6-3, AND REPEAL SECTION 12-6-8 OF CHAPTER 12-6 OF TITLE 12 OF THE ROCHESTER CODE OF ORDINANCES RELATING TO SEWER CHARGES.

THE COMMON COUNCIL OF THE CITY OF ROCHESTER ORDAINS:

Section 1. Section 12-6-1 of the Rochester Code of Ordinances is amended to read as follows:

Sec. 12-6-1. - Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Administration means those fixed costs attributable to administration of the water reclamation plant and sanitary sewer collection system operation and maintenance.

Ammonia nitrogen (NH₃-N) means the quantity of nitrogen present in wastewater in the form of ammonia as measured by procedures described in Standard Methods.

Carbonaceous biochemical oxygen demand (CBOD₅) means the quantity of oxygen utilized after five days in the biochemical oxidation of organic matter present in wastewater as measured by procedures described in Standards Methods.

<u>Chemical oxygen deman (COD)</u> means the amount of oxygen consumed in the chemical oxidation of organic matter by a strong oxidant present in wastewater as measure by procedures described in Standards Methods.

City means the City of Rochester, Minnesota or its governing body, the common council of the City of Rochester.

Debt service means that portion of sewer service charge revenue set aside to repay long or short debt obligations issued by the city to finance construction of improvements to the wastewater facilities.

<u>Equivalent Residential Unit (ERU)</u> means single family home with three or fewer dwelling units and is established as the average wastewater flow and concentrations in the City.

High-strength waste means wastewater having a CBOD $_5$ greater than $250\ 265$ milligrams per liter (mg/L) and/or a TSS greater than $250\ 265$ mg/L, and/or a TP greater than $250\ 265$ mg/L, and/or a NH $_3$ -N concentration greater than $28\ 31$ mg/L.

Large user means any user that discharges an average of more than 25,000 gallons per day of process waste into the sanitary sewer and having a high-strength waste and greater than five percent of the wastewater utility capacity to treat any parameter exceeding the definition of high-strength waste.

<u>Manager means the City of Rochester Deputy Public Works Director of Environment</u> Services, or their designee.

Operation and maintenance means those variable costs which are directly attributable to operating and maintaining the sanitary sewer system and the water reclamation plant.

Person means any individual, firm, company, association, society, corporation or group.

Replacement means expenditures for obtaining and installing equipment, accessories, or appurtenances, which are necessary to maintain the capacity and performance of the wastewater facilities throughout the useful life of the facilities.

Sanitary sewer means a pipe or conduit that carries wastewater from residences, commercial buildings, industrial plants, and institutions to the water reclamation plant.

Standard Methods means the latest edition of Standard Methods for the Examination of Water and Wastewater prepared and published jointly by the American Public Health Association, the American Water Works Association, and the Water Environment Federation, and, if options are available for a particular characteristic, the method as chosen by the water reclamation plant for analysis.

<u>Total Kjeldahl Nitrogen (TKN)</u> means ammonia nitrogen and organic present in wastewater as measure in procedures described in Standard Methods.

Total organic carbon (TOC) means the oxidizable carbon of organic origin that is present wastewater as measured according procedures described in Standard Methods and is determined using a total organic carbon analyzer.

Total phosphorus (TP) means all forms of phosphorus present in wastewater as measured in procedures described in Standard Methods.

Total suspended solids (TSS) means the nonfilterable residual matter present in wastewater as measured in procedures described in Standard Methods. If a waste has a solids concentration, which cannot be filtered using Standard Methods procedures, then total solids will be measured and used in lieu of TSS using procedures described in Standard Methods.

User means a person who discharges, or causes or permits the discharge of, wastewater into the city's wastewater disposal system.

Wastewater means the spent water of a community and includes liquid and water-carried wastes from dwellings, commercial buildings, industrial facilities, and institutions, together with any groundwater, and surface water that may be present, whether treated or untreated, which is discharged into or permitted to enter the city's wastewater disposal system.

Section 2. Section 12-6-2 of the Rochester Code of Ordinances is amended to read as follows:

Sec. 12-6-2. - Service Charges.

- (a) Established. A sewer service charge is established whereby revenue will be collected from the users of wastewater facilities to pay the costs incurred by the city for administration, operation and maintenance, replacement, and debt service of such facilities.
- (b) Fixed and quantity charges. The common council, by resolution, may establish the charges and rates for use and services of the wastewater facilities to be made against any lot, parcel of land, or premises using, or by which installation of a connection could use the wastewater

facilities. In those circumstances where the council has approved the connection of a subordinate sewer district to the city's wastewater facilities that makes connection at a single point for metering the flow from the entire district, a single fixed charge shall be imposed consistent with this subdivision or with the provisions of any sanitary sewer connection agreement entered into by the city and the county.

- (c) High-strength surcharges.
 - (1) In addition to the rate established pursuant to subsection (b) of this section, the common council, by resolution, may establish surcharges for a user that discharges high-strength waste. No credit will be given for waste strengths less than high-strength waste values.
 - (2) A user not providing automatic waste monitoring equipment will be charged on the basis of CBOD 5, TSS, TP, and NH 3-N as determined by analysis of a 24-hour composite sample collected at least once per calendar year by the wastewater utility manager manager. More than one analysis per year and more than one year's data may be averaged to determine high-strength charges. A user may be required to provide a suitable point for metering and sample collection and shall cooperate with the wastewater utility manager manager. Where it is not feasible to obtain a single representative sample, the wastewater utility manager manager may compute a theoretical waste strength based upon similar users. Where it is evident that a constituent of the waste significantly inhibits the standard analysis for CBOD 5, the charges may be assessed on the basis of the COD or TOC analysis. For the purpose of computation the CBOD 5 shall be assumed to be equivalent to 1.8 times the TOC or 0.45 times the COD.
 - (3) In certain cases, the wastewater utility manager manager manager may sample a user's wastewater and test it to establish a typical ratio of CBOD 5 to TOC or CBOD5 to COD. Thereafter, the calculated ratio and TOC or COD test results may be used as a surrogate for CBOD 5 to The CBOD 5 to COD and CBOD 5 to TOC ratio will periodically be re-evaluated and re-calculated.
 - (4) In certain cases, the manager may sample a user's wastewater and test it to determine the amount of TKN to NH $_3$ –N ration for wastes typically known to have higher TKN to NH $_3$ –N rations other than what is typical in the City. Rates established for NH $_3$ –N assume TKN to be 30% higher in concentration than NH $_3$ –N. For wastes with higher ratios of TKN to NH $_3$ –N, the percent above assumed concentrations shall be multiplied to measured NH $_3$ -N concentrations to account for additional costs of treatment when calculating costs.
- (d) Capital equalization charge.
 - (1) The common council, by resolution, may establish the charges and rates for the use and services of the wastewater facilities by any lot, parcel of land, or premises situated outside the corporate limits of the city which shall have any active connection with the sanitary sewer system or which shall otherwise discharge wastewater either directly or indirectly into the sanitary sewer system. The capital equalization charge does not apply to any property located outside the city's boundaries that is subject to an orderly annexation agreement between the city and township that specifically provides for the waiver of this charge or some other rate calculation.
 - (2) The capital equalization charge provided for in this subdivision shall be added to the first billing for service charges and shall continue to be added to each billing thereafter until the respective lot, parcel of land, or premises is annexed to the city.

- (e) Residential charges. The common council, by resolution, may establish a residential charge for single-, two- and three-family dwellings.
- (f) Monitoring charges. The common council, by resolution, may establish a monitoring charge for a large user or any other user having waste characteristics or flows requiring routine sampling and testing by water reclamation plant personnel two or more times a week.
- (g) Sampling charges. The common council, by resolution, may establish a sampling charge for users where a sample is required to determine wastewater characteristics to cover laboratory testing and administrative costs. Sampling charges shall not be charged in addition to monitoring charges unless the sampling is in addition to the routine monitoring schedule.
- (h) Hauled liquid waste charges.
 - (1) The water reclamation plant may accept hauled liquid waste based on the capacity of the plant to treat the waste. The decision whether to accept any hauled liquid waste will be at the discretion of the wastewater utility manager manager.
 - (2) The liquid waste haulers will be responsible for providing samples of the waste in accordance with policies and procedures determined by the wastewater utility manager manager. The charges for hauled liquid waste will be based on the volume and assumed concentration of CBOD 5, TSS, TP, and NH 3-N and the unit costs for each parameter.
 - (3) The common council, by resolution, may establish a charge for septage, portable toilet, fats, oils, and grease, and any other high-strength hauled liquid waste.
- (i) Plant investment fee.
 - (1) The purpose of the plant investment fee (PIF) is to impose a portion of the cost of capital improvements for expansion of the wastewater utility upon those developments and redevelopments that create the need for or increase the demands on the wastewater treatment plant utility. The PIF shall be collected at the time of issuance of a building permit for the development or redevelopment project. Structures and uses established and legal existing on or before January 1, 2005, are exempt from a PIF, to the extent of the structure or use then existing and to the extent of the parcel of land as it is constituted on that date. Structural additions to single-family dwellings are exempt from payment of a PIF. An alteration, replacement or change in use that does not increase the parcels or structures use of the wastewater utility are exempt from payment of a PIF.
 - (2) The common council, by resolution, may establish the PIF. The resolution shall set the amount of the equivalent residential unit (ERU) PIF. The PIF for multifamily residential, commercial and industrial customers will be calculated based on the wastewater flow and load contributions from the user or alternatively the user classification PIF established by resolution. The PIF shall be applied only to capacity increasing capital improvements to the wastewater utility, including expenditures relating to repayment of indebtedness.
 - (3) Structures and uses established and legally existing on or before January 1, 2005, are exempt from a PIF to the extent of the structure or use then existing and to the extent of the parcel of land as it is constituted on that date. A PIF credit will be calculated for properties redeveloped for residential use after January 1, 2005, provided that an exisiting structure, use and wastewater discharge to the Water Reclamation Plant was established on or after that date. A PIF credit will be calculated at the time of redevelopment and will be based on the property uses, meter(s) size or number and

- type of previously existing dwelling units (if applicable), and the PIF rate from the applicable established rates. No refund will be made if the calculated credit is greater than the new PIF.
- (4) To encourage compact, dense and sustainable use of building structures and property, developments with a mix of both residential dwelling units and non-residential uses in the same building, the PIF will be calculated based on these different uses. The PIF for residential portion of the development will be calculated based on the proposed residential development use as described. The PIF for non-residential portion of the development will be calculated based on the proposed non-residential development use and resulting meter(s) size as described. The residential PIF component will be added to the nonresidential PIF component of the building. Appropriate PIF credits for redevelopment of an existing property will be determined as described above based on the previously existing use(s) that existed on or after January 1, 2005. Fifty percent of the sum of the calculated PIF amount and applicable PIF credits will be charged as the net PIF for a mixed use building development/ redevelopment.
- (5) To encourage the reuse and redevelopment of existing structures in the City for residential or non-residential use, the PIF and PIF credit shall be calculated as defined in this ordinance and rate resolution. For reuse and redeveloped buildings, fifty percent of the sum of the calculated PIF amount and applicable PIF credits will be charged as the net PIF.
- (6) Seasonal public outdoor restroom facilities shall be calculated as a residential unit.
- (7) Where reuse of an existing building is taking place by an industry that will produce high strength waste, as determined by the manager, an additional PIF will be charged based on industrial discharge permit PIF fees outlined in the rates resolution.
- (8) This section applies only to the commercial and industrial developments that have industrial discharge permits with the Water Reclamation Plant that specify the allowable flows and loads that may be discharged. The commercial or industrial developments that have industrial discharge permits with the Water Reclamation Plant that do not specify allowable flows and loads that may be discharged are subject to the PIF based on water meter size as shown in the rates resolution. When there is a requirement that the discharge limits be increased, a Plant Investment Fee will be determined based on the Equivalent Residential Unit fee. These developments pay a high strength waste surcharge on their monthly bill based on their usage and is typically 60% of their permitted discharge peak allowable limits; therefore, the PIF will be based on 60% of the rates determined by the ERU. Industrial discharge permit PIF is established for specific wastewater characteristics listed in the rates resolution and values include the 40% deduction.
- (39) A person challenging the calculation of a PIF may appeal the decision of the wastewater utility manager manager to the common council. A written appeal must be filed with the city clerk with 60 days of the receiving the wastewater utility manager's manager's calculation of the PIF.

Section 3. Section 12-6-5 of the Rochester Code of Ordinances is amended to read as follows:

Sec. 12-6-5. – Meter reading, billing, and collections.

Bills for the service <u>credits and</u> charges shall be made out by city public utilities (RPU) in accordance with its usual and customary practices. The time of making such bills and the period covered thereby shall be in accordance with the meter reading practices of the RPU. All bills shall be payable to RPU. The wastewater facilities fund shall reimburse RPU for all reasonable costs incurred in meter reading, billing and collection.

Section 4. Section 12-6-7 of the Rochester Code of Ordinances is amended to read as follows:

Sec. 12-6-7. – Periodic review of charges.

The common council will review the sewer service charge system established herein on an annual basis every six years as outlined by the sewer rate study. Thereafter, the council may periodically revise the rate charged for sewer service to reflect any change in the cost of providing said service.

Section 5. Section 12-6-9 of the Rochester Code of Ordinances is amended to read as follows:

Sec. 12-6-9. – Evaporation of metered water.

- (a) When a commercial water user evaporates a significant amount of its metered water and therefore its wastewater discharge is reduced by this volume of water, the user may request a proportionate reduction in its quantity charge. This reduction in volume entering the sanitary sewer may be determined or estimated for billing by one of the following methods:
 - (1) The user may install a meter in the sanitary sewer at a location, and of a type approved by the wastewater utility manager manager.
 - (2) The volume of evaporation loss may be computed or estimated based upon reliable data submitted to the wastewater utility manager manager by the user.
- (b) Laundries and laundromats. In the event that a commercial laundry or laundromat elects not to install a wastewater meter, the city may reduce its quantity charges by five percent of the charge computed on the metered water which is primarily utilized for laundry purposes and where other uses such as drinking water and toilets are only incidental to the primary water usage. It is the responsibility of the water user to demonstrate to the wastewater utility manager manager that the primary purpose of the metered water is for laundry purposes.

Section 6. Paragraphs (a) and (b) of Section 12-6-3 of the Rochester Code of Ordinances is amended to read as follows:

Sec. 12-6-3. – Metering required; certain premises.

- (a) If a lot, parcel of land, or premises which discharges wastewater into the sanitary sewer system, either directly or indirectly, obtains part or all of the water used thereon from sources other than the public utility department and the water so obtained is not measured by a meter in a manner which is acceptable to the wastewater utility manager, manager, then, in such case, the city shall permit the discharge of wastewater into its sanitary sewer only when the owner of such a lot, parcel of land or premises or some other interested party shall, at their expense, install and maintain a water meter which shall be satisfactory to the wastewater utility manager manager. Such water meter shall be installed so as to measure all water received on such lot, parcel of land, or premises and the above charges and rates shall be applied to the quantity of water received as measured by such meter. However, if it shall be deemed impracticable by the wastewater utility manager manager to measure the water used on any lot, parcel of land, or premises, and upon approval of the council, a flat charge may be made in accordance with the estimated use of water on such lot, parcel of land, or premises.
- (b) If a lot, parcel of land, or premises which discharges wastewater into the sanitary sewer system also diverts a portion of the water utilized such that it does not, and cannot enter the sanitary sewer system the wastewater utility manager manager is authorized to determine, in such manner and by such method as he may deem practicable, the amount of water which does enter the sanitary sewer system. With respect to the property described in subsection (a) of this section, or to other property which obtains its water from the public utility department, the wastewater utility manager manager is authorized to require or permit the installation of other, or additional meters in such a manner that the quantity of water which actually enters the sanitary sewer system may be determined. The expense of the meter installation and maintenance shall be assumed by the party requesting the metering of such water, however, the installation of such additional meters shall be limited to plumbing systems which divert an average of 1,000 cubic feet per month or more from the sanitary sewer system. Thereafter, the quantity charge for wastewater shall be based upon the amount of wastewater determined to be entering the sanitary sewer.

Section 7 Section 12-6-8 of the Rochester Code of Ordinances relating to Equipment Replacement Fund is hereby repealed.

Section 8. This ordinance shall become effective from and after its publication.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF

ROCHESTER, MINNESOTA, THIS _ 6th December

PRESIDENT OF SAID COMMON COUNCIL

APPROVED THIS



MAYOR OF SAID CITY

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